IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO.131 OF 2006

M/s.G.G.Photo Ltd.
represented by Authorised
Signatory Mr.Anand B. Mishra ..Petitioner.

Vs.

Aftab Pictures P. Ltd. & Ors. ..Respondents.

Mr.Dharam Sharma i/b.M/s.Dharam & Co. for the Petitioner.

Mr.P.K.Prajapati for Respondent Nos.1 to 3.

CORAM : S.J. VAZIFDAR, J.
DATED : 5TH JUNE, 2006

P.C. :

This is the petition under section 9 of The Arbitration and Conciliation Act, 1996. Admittedly, an amount of Rs.75,00,000/- has been lent and advanced by the Petitioner to the Respondent under, and in terms of the agreement dated 19.2.2005. Admittedly, the said amount has not been returned. Admittedly again, another agreement, also dated 19.2.2005 was entered into between the parties, clause A3 whereof, reads as under :

> "A3. ASSIGNED RIGHTS : Towards the financing arrangement, the agreement purports to assign the whole world Satellite Television Exclusive Broadcasting Rights and Overseas Satellite Television for multiple telecasts and Cable TV

> rights, of the Assignor of the Assigned Film to the Assignee in respect of the Assigned Film."

2. The Petitioner's grievance is that this purported assignment was not given effect to and that there is accordingly a breach of the said agreement. This latter agreement contains the arbitration clause.

3. This film laboratory, by a letter dated 25.2.2005 has stated that the purported security created in favour of the Petitioner, cannot be given effect to as the Canara Bank had a first lien in respect of the film. Prima-facie, it appears that in view thereof, the security is really of no effect.

4. Mr.Sharma, the learned counsel appearing on behalf of the Petitioner, agrees and undertakes to take all steps necessary to invoke and implement the arbitration clause within a period of four weeks from today. The statement is accepted.

5. In the circumstances, the petition is disposed of in terms of the ad-interim order dated 10.4.2006.